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SUBJECT: PRIME MINISTER NAZIF OUTLINES GOE GOALS BEFORE
PARLIAMENT

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1. (SBU) Summary: Presenting the GOE's overall policy and legislative agenda for the current legislative session, Prime Minister Nazif addressed parliament on January 30. The Prime Minister's remarks covered seven pillars, five of which concerned economic and development matters, a sixth covering "legislative and political development" and a seventh pillar covering foreign policy and internal security. Reflecting Egypt's new reality, the speech detailed a list of mainly economic reforms intended to address the public's bread and butter concerns. End summary.

Political Reform: Past and Future

2. (SBU) Nazif asserted the GOE had already implemented important political reforms. He highlighted in particular the 2005 amendment to Article 76 of the constitution, allowing for competitive and direct presidential elections. He also cited the creation (in 2003) of the National Council for Human Rights, noting the various reports it has produced, affirming that they were closely studied and weighed by the cabinet.

3. (SBU) On the upcoming political and legislative agenda, Nazif pledged the government would work on the following areas:

- developing the concept of citizenship and equal rights of citizens regardless of religion, gender, race, or ideology;
- reviewing the constitution for further areas of amendment (no further specifics offered);
- drafting a new judiciary law that would strengthen the rule of law and judicial independence;
- "activating" the role of political parties;
- accelerating the process of decentralization;
- new laws governing the press and publications;
- review laws governing criminal procedures, including the practice of administrative detention;
- increasing the oversight role of the People's Assembly.

Foreign Policy and Internal Security

4. (SBU) On foreign policy, the Prime Minister said Egypt would seek to expand its leadership role in Arab and African fora, would continue to seek peace, stability and reconstruction in Sudan and Iraq, and support the Palestinian people's quest for rights, stability, and security. He also pledged the government's continued support for the "efficient" work of police and internal security agencies in maintaining the country's national security.

Economic Priorities

5. (SBU) Nazif focused on unemployment as the number one economic/social issue to be addressed by the GOE. He said that the government would combat unemployment by increasing foreign and domestic investment, particularly through amendments to laws governing trade and taxes, as well corporate governance and infrastructure development. Nazif laid out market-oriented policies that he claimed would both generate jobs and promote stability. Indicative of this approach was his call to reactivate the Build-Operate-Transfer (BOT) programs for infrastructure development, which had been an early casualty of the foreign exchange crisis.

6. (SBU) Nazif used the speech to introduce several new economic initiatives for parliament. He called for better

consumer protection laws, the development of courts devoted to specific economic issues, and a unified building code. In making these proposals, he noted that Egypt's transition to a democracy would require the support of the people. He called on the people to change their view of the state as the provider of first and last resort, warning that unless people let go of this socialist mind set, the success of the government's economic agenda could not be guaranteed.

Comment

17. (SBU) Laying out the GOE's plans, Nazif presented a factual and detailed action plan. While there were no surprises, and the language on political reform remained general, this represents the political reality of Egypt, where bread and butter issues take precedence. In both his recap of achievements to date and plans for the future, Nazif gave primacy to social issues, followed by economic issues, and then political issues. The language Nazif used was not the typical flowery rhetoric favored by many of his predecessors, but more a fact-filled laundry list of the accomplishments of his economic team and a rather detailed action plan for future development. End comment.
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